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S-2342

Central Intelligence Agency
Directorate of Intelligence
1 June 1967

Intelligence Memorandum

British Involvement
In North Vietnam's Foreign Trade and Shipping

1. British trade with North Vietnam in 1966 represented less than half of one percent of North Vietnam's total trade. North Vietnam bought British textiles, chemicals, transport equipment, and other manufactured goods and exported to the UK principally food products and light manufactures (see Tables 1-3). Most of the trade moved from Singapore and Hong Kong, usually on ships of the USSR or the Eastern European countries. There is no evidence that either Hong Kong or Singapore was used to conceal the re-export of British goods to North Vietnam.

2. Although British trade with North Vietnam is negligible, approximately 15 percent of North Vietnam's seaborne trade in 1966 was carried in British ships, and since the beginning of 1965, the volume of North Vietnam's imports carried on British ships has increased steadily (see Table 4). In 1965 these ships carried substantial quantities of fertilizer and foodstuffs to North Vietnam from countries of the Free World. In 1966 and thus far in 1967, however, more than 90 percent of the British-

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flag ships calling at North Vietnamese ports were under charter to Communist China and were used almost exclusively to carry China's trade with North Vietnam. In 1966, import cargoes on these ships consisted principally of coal products, foodstuffs, and miscellaneous and general cargoes. In the first five months of 1967, 25 percent of these cargoes on British ships consisted of POL from Chinese ports.

3. Exports of anthracite -- the principal export cargo carried from North Vietnam on British ships -- as well as other commodities have declined sharply, partly because US air strikes have reduced the availability of these commodities for export (see Table 5). This decline in exports together with US demarches have caused a sharp reduction in the number of calls by British ships -- from an average of 11 per month in 1965 to less than 5 per month during the first five months of 1967.

4. Five Hong Kong companies own all of the British-flag ships that have called at North Vietnam during the past 15 months

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5. In addition to British-flag ships, four ships under Cypriot and Maltese flags, owned by John Livanos and Sons of London, made 19 calls at North Vietnam since the beginning of

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1966, as follows:

<u>Ship and Flag</u>	<u>1966</u>		<u>1967</u>	<u>Total</u>
	<u>Jan-June</u>	<u>Jul-Dec</u>	<u>Jan-May</u>	
Acme (Cypriot)	3	3	0	6
Amalia (Maltese)	2	2	1	5
Amfitriti (Cypriot)	1	1	0	2
Antonia II (Cypriot)	1	2	3	6
			<u>Total</u>	<u>19</u>

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Table 1

North Vietnam: Trade with the United Kingdom
1965-66, and January-February 1967

Thousand US \$								
1965			1966			January-February 1967		
<u>Total</u>	<u>Export</u>	<u>Import</u>	<u>Total</u>	<u>Export</u>	<u>Import</u>	<u>Total</u>	<u>Export</u>	<u>Import</u>
<u>Trade</u>			<u>Trade</u>			<u>Trade</u>		
535	333	202	359	255	104	N.A	36	N.A

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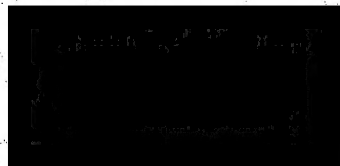
Table 2

North Vietnam Imports from the United Kingdom
1965-66

	Thousand US \$	
	1965	1966
Total	202	104
Food and beverages	12	3
Chemical elements and compounds	14	11
Dyes, tanning, and coloring materials	36	17
Other chemicals	6	3
Textile yarn and manufactures	86	1
Nonferrous metals	5	
Other basic manufactures	2	3
Nonelectric machinery	15	8
Electric machinery	1	1
Transport equipment	8	36
Instruments, clocks and watches	1	3
Miscellaneous manufactures	10	6
Other domestic merchandise	6	12

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Table 3

North Vietnam: Exports to the United Kingdom
1965 and January-June 1966

	Thousand US \$	
	<u>1965</u>	<u>January-June 1966</u>
Total	<u>333</u>	<u>148</u>
Food, beverages, and tobacco	148 a/	98
Crude materials, inedible	39 b/	3
Chemicals	6	N.A
Manufactured goods	140	47

- a. Data represent the value of 249 metric tons of coffee.
b. Data represent the value of 71 metric tons of rubber.

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Table 4

North Vietnam: Import Cargoes Identified on
British-flag Ships, 1965-66, and January-May 1967 a/

Commodities	volume in thousand metric tons					
	1965		1966		Jan-May 1967	
	Volume	Percent	Volume	Percent	Volume	Percent
Total	114.2	100	144.6	100	86.9	100
Petroleum products	4.1	4			21.5	25
Fertilizer	19.1	17				
Foodstuffs	55.9	49	28.8	20	37.6	43
Timber			3.3	2		
Coke, coking coal and coal tar	6.0	5	31.2	22	27.7	32
Miscellaneous and general cargoes	29.0	25	81.3	56		

a. Because of rounding, components may not add to the totals shown.

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Table 5

North Vietnam: Export Cargoes Identified on
British-flag Ships, 1965-66, and January-May 1967 ^{a/}

<u>Commodities</u>	<u>Thousand metric tons</u>					
	<u>1965</u>		<u>1966</u>		<u>Jan-May 1967</u>	
	<u>Volume</u>	<u>Percent</u>	<u>Volume</u>	<u>Percent</u>	<u>Volume</u>	<u>Percent</u>
Total	<u>668.4</u>	<u>100</u>	<u>182.4</u>	<u>100</u>	<u>15.5</u>	<u>100</u>
Coal	572.7	86	129.1	71	15.5	100
Apatite	47.5	7	2.5	1		
Pig Iron	29.2	4	1.0	1		
Cement	10.9	2	9.8	5		
Rice	7.0	1	-			
Miscellaneous and general cargoes	1.1	Negl.	40.0	22		

^{a/} Because of rounding, components may not add to the totals shown.

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